

6. If, at any time, the city shall fail to deliver the irrigation water or the culinary water as herein specified and such default shall continue for the period of twenty-four hours after notice, then the company, at its option, may at once retake and turn said waters of Mill Creek into the channels or conduits of the company and use said water as if this agreement had not been made; and such taking by the company shall not prevent the company from recovering any damages from the city which the company might sustain by reason of any breach of this contract of the part of the city. If the company shall have occasion to so re-take the waters, the city may again take and use the said waters upon purging itself of every default and conforming to the terms hereof, and by paying the costs and damages sustained by the company and its stockholders.

7. If the default on the part of the city shall continue for a period of six months, to furnish and deliver to the company the irrigation water or the culinary water herein specified, then the company may, at its option, terminate this contract, and all rights of the city to the use of the waters which have been transferred by the company to the city, shall, at the option of the company be terminated; and upon the termination of this contract the company shall be repossessed of all its rights and ownership in said waters and water rights and the use of the same; provided, that if this contract shall be terminated, as herein provided, the city shall not be released from any loss or damages which the company or its stockholders, have sustained by reason of the failure of the city to comply with the terms of this agreement, nor from payment of any of its obligations entered into as provided in paragraph 5 of Article II of this agreement.

8. If the parties hereto or either of them shall be enjoined, after final hearing in courts of last resort, from diverting the waters of Mill Creek herein specified and of completing the exchange of said waters as herein agreed, then this contract shall terminate and the parties hereto be released from further obligation thereunder, the water distribution system referred to herein shall be retained and operated by the city with the right to thereafter charge and collect regular city water rates for all water furnished, or a higher rate if necessary in order to fully compensate the city for cost of operation and delivery of water, including interest, depreciation, and overhead.

9. Upon the signing of this contract by both parties, the city agrees to proceed without delay with the ordering of all materials and the construction of the watermain system and to pursue the work of construction with due diligence and to have the entire watermain system in operation within six months thereafter unless delayed by contingencies beyond the city's control.